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strike resources, taxes in reality strike expenses to which they are proportional instead of to the revenue. The tax, in fact, is often specific instead of general, and takes most from articles which may increase in value without a similar increase in tax. He therefore condemns the system, and, above all, the present tax on consumption. Reform, he says, should first busy itself with modifications of the modes of application of existing taxes. Consumption taxes should be made true taxes, *i. e.*, their end should be to furnish resources to the State, and not to furnish particular advantages or privileges favoring certain branches of industry. Many millions of francs, ostensibly paid as taxes, in truth go for such charges. It is enough to support the legitimate charges of the nation. At present the invisible hand of supplemental charges takes a portion from every table. With these unjust charges removed population would increase, the revenue of other taxes would increase astonishingly, and there would be a new financial, physical, and moral nation.

WM. HERBERT KING.

TAXATION IN ILLINOIS.

Eighth Biennial Report of the Bureau of Labor Statistics of Illinois. Subject: *Taxation.* By the Commission, George A. Schilling, Secretary. Springfield, Ill. 1895. Pp. 490.

This is a most exhaustive study of the appraisement of property for taxation in the State of Illinois, and especially in the city of Chicago. Incidentally, and with a view to explanation, the book contains some philosophical disquisitions on taxation, which add a good deal to the interest of the compilation, and which may be found of value. Especially ingenious is the explanation submitted by the Bureau to justify taking up a line of investigation which appears rather foreign to labor issues. The distribution of taxes is offered as a partial solution of the unsatisfactory labor conditions. It is argued that the workingmen are, by the shifting of taxes, compelled to pay most of them indirectly, and are, besides, taxed out of proportion on whatever of their property is visible and tangible. But we have good reason to be grateful that, by whatever reasoning, this Bureau has been able to work in a compilation of taxation statistics with an abundance of detail; for this is an undertaking to which many influ-

ential citizens object, and which, in consequence, few governmental statisticians desire to take upon themselves.

The very first table contains a surprise for everybody who is not familiar with the practice of tax-dodgers. It shows that the county of Cook, including the great city of Chicago, listed in 1894 but \$43,925 as moneys of bankers, brokers, etc., an average of but \$.037 for each inhabitant, while Peoria county, with one-seventeenth the population, reported \$279,684, an average of \$3.974, and some of the poorer counties showed a much higher average. The actual amount on hand in these banks on June 5, 1893, in Chicago, was \$18,991,771 according to their own statements published to reassure their depositors in time of panic.

A similar under-valuation is discovered in the assessment of moneys in other hands than brokers, etc., which in Cook county is given in at \$434,244, or \$.364 for each inhabitant. Scott county, with but 10,304 inhabitants, reports \$271,500, or \$26.349 for each inhabitant.

The value of the shares of State and national banks at Chicago was assessed at \$357,353, while Sangamon county, with a population of but 61,195, gave in \$438,013. These shares, according to law, are to be assessed at their "fair cash value," which for Chicago would have been more than \$36,000,000. The capital stock and surplus of each of these banks are tabulated and compared with the assessors' returns. The capital and surplus amounted to \$59,732,600 and the assessed value to but \$6,246,050.

Residents of Cook county returned just \$1280 of shares in companies not of Illinois, which would indicate either that Chicago people are indeed poor, or that they distrust foreign securities in an excess of patriotism. Residents of Cook county also possess \$6,275 invested in real estate securities on bond and trust deed. And in the matter of specific articles,—such as safes, steam engines and boilers, watches and clocks, pianos, sewing machines, and the like,—the under-valuation is quite as great. For instance, in the great county of Cook but \$13,483 is reported as invested in saloons and eating houses, and but \$3,385 in billiard and pool tables. The whole State makes a bad showing in this matter, but Cook county easily leads all the others.

The analysis of the assessments of real estate is especially complete and satisfactory. It is found that, while the cost of new buildings

erected in Chicago from 1876 to 1893 is estimated to be \$418,718,602, the assessment of all the buildings was in 1893 but \$123,745,832.

The permits for new buildings for the years 1890, 1891, and 1892 indicate that buildings costing \$129,364,250 were erected in these three years alone. The valuation of the real estate of the city of Chicago in 1870 for city taxation was \$223,643,600, and for 1874, \$258,549,310. Thus it appears that the value of real property has declined, while the population has quadrupled. The real property in the rest of the State is also undervalued, but in nothing like the same ratio.

But even more instructive than these comparisons are the tables of individual properties with appraisements of fees and buildings separately, and with estimates of their values, drawn from official sources, from records of transfers and the like. These tables are enriched with percentage tables, showing at just what percentage of the total value ground and buildings are respectively appraised. There are great contrasts and discrepancies in the valuations, but it is abundantly proven that down-town business property of the city of Chicago is appraised at but about 10 per cent of its fair value on the average, and that the valuation of buildings is about twice as large a percentage of the true worth as the valuation of the ground. Singular and apparently inexplicable reductions of the already too low appraisements are noted.

Next follow tables of valuations of choice dwelling property, which show similar and even greater under-valuation. The average appraisement of thirty pieces in the most aristocratic localities is but 7.78 per cent of the value. The studied under-valuation of sites is here abundantly illustrated, also, by separating the two items in the cases of several north-side residence holdings. In contrast with this is the valuation of eighty dwellings which were sold in 1893 for \$4000 or less. These were appraised as high as even 40 per cent of the prices obtained at actual sale, and the average valuation was 15.9 per cent of the selling price, which is more than twice as high as the appraisement of the residences in the more aristocratic portions of the city.

The gist of the matter is, first, that land is taxed at a lower relative valuation than buildings, and small holdings at a higher relative valuation than large holdings. This is further illustrated by a table of

vacant properties on the west side which were valued at but 5.7 per cent of their worth. On the contrary, twenty buildings in the same part of the city are found to have been assessed at 15.95 per cent of the cost. It is further demonstrated that the value of the site, which is appraised at the lowest percentage, is a greater percentage of the total value of improved property among cheap residences than in business localities or in choice residence quarters.

A long and exhaustive list of the owners of down-town property in Chicago, with much statistical information about their holdings, is included. It required no little courage to face the storm of resentment which this publication must have occasioned; but it is likely to be of great and permanent value. Incidentally, in connection with these tables, it is shown that vacant down-town property is appraised ridiculously low by the assessors.

These tables are followed by others showing the movement of appraisements of both realty and personalty in every county in the State, from 1873 to 1893. Then come comparisons of the mileage and the appraisements of railways. This includes valuations of lands, lots, personal property, tracks, right of way, improvements, and rolling stock. The increase of the assessment from 1873 to 1893 is but from \$59,317,407 to \$79,531,738, and the average per mile of road fell from \$6384 to \$4343. The total appraisement was but one-half that of the railroads in Indiana, and the assessment per mile but a little over one-fifth.

Tables are also given showing the valuation of the capital stock of various manufacturing and financial corporations in the State other than railroads and banks. The appraisement varies from 1.3 per cent of the par value to 143 per cent. As usual, the richest and most powerful obtain the most favorable appraisements. For instance, Pullman's Palace Car Company got off at 4.92 of the par value, the stock actually being worth 170 or more. The total appraisement of corporations with capital stock of \$167,045,035 was \$15,735,390, which covered also all tangible personal property. The percentage of par value of stock was 9.42 per cent, and this percentage is deceiving; in 1890 it was 15.83 per cent. A similar decrease in appraisements is discovered in the cases of the great street railway and lighting corporations of Chicago.

A considerable portion of the report is devoted to a study of the remedies for the inequities of this absurd condition of affairs. A list

of long-term leases of school property is appended. A complete list of properties sold in 1890, 1891, 1892, 1893, and 1894, on which the Commissioners based some of their estimates of value, is also appended, together with a report of certain events in the field of labor, and papers and addresses on labor and cognate subjects.

MILES MENANDER DAWSON.

CANADA ASSURANCE.

Canada Life Assurance Company. Mortality Experience, 1847 to 1893. Published by the Company, Hamilton, Ontario.

This compilation covers an experience of forty-six years, comprising 296,481 lives exposed, being the select male lives only. The compilation is made by A. G. Ramsay, F. S. S., F. I. A., the President and Actuary of the Company, and by Frank Sanderson, the Assistant Actuary. The total number of entrants was 35,287, of which number 55.03 per cent were in existence at the close of their respective policy years in 1893; 37.07 per cent had retired from the company by withdrawal, maturity, or expiry, and 7.9 per cent had died. The average age at entry was 31.74 years; the average duration of the insurance, 8.4 years; and the average duration of the policies terminated by death, 13.55 years. The percentage of persistents is very large for so long an experience, covering also the high-pressure period of recent years; the average duration is unusually high. About one-half of the total withdrawals were experienced during the first year of insurance or at its close.

The compilation is made on the basis of policy years instead of calendar years, thus giving greater accuracy, though at much greater labor. A mortality table is constructed from the data thus obtained, coinciding with the company's experience, and a second table coinciding with its experience on lives insured a longer period than five years. To complete the tables, a third one is constructed to show the mortality for each of the first five years of insurance.

Comparisons are made with the experiences of other companies, covering duration of risks, expectation of lives, actual to expected deaths, etc. The experience of the Canada Life is found to be in all respects more favorable than any others, excepting only the Provi-